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FCM's Green Municipal Fund

Investing in a sustainable, prosperous future

The Federation of Canadian Municipalities' **Green Municipal Fund** (FCM's GMF) enables low-risk, reliable projects that offer exceptional ESG benefits and can scale up. FCM's flagship program, we help local governments accelerate the transformation to resilient, net-zero communities.

GMF is driving municipal sustainability efforts across Canada and paving the way for private investment in critical infrastructure and innovative financing mechanisms through our Community Efficiency Financing initiative.

Our start-up capital for viable projects has gone on to attract millions in private investment—let us be your bridge to investing in local sustainability across Canada.

Community Efficiency Financing

Transforming the home energy upgrade market

Retrofitting a home can yield significant sustainability benefits and improved comfort, but the high initial costs keep that option out of reach for many Canadian homeowners.

Enter GMF's \$300M Community Efficiency Financing (CEF) initiative: Canada's only national program offering communities innovative financing solutions for home energy efficiency upgrades. CEF addresses the high up-front costs that stop many homeowners from undertaking home energy retrofits while establishing successful, enduring financing models that can be scaled across the country.

We de-risk innovative financing with models like PACE (property assessed clean energy) programs, on-bill financing by utilities and partnerships with third-party lenders.

CEF's results so far:

- > **\$244M** in approved funding
- > **59** studies and pilots across Canada
- > **38** innovative capital financing programs supported
- > **12,861** forecasted homeowner participants (capital programs only)

Talk to us about investment opportunities with CEF.

Programs like these are set to grow exponentially across the country. Let's discuss how we can connect you with one of dozens of partnership opportunities.



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PACE

Making a significant impact with viable returns

GMF's CEF initiative has catalyzed the adoption of PACE programs across Canada. Our initial capitalization has attracted follow-on investment from impact investors and banks.

How PACE programs work:

- Programs provide low-cost, long-term funding for retrofits for low-rise residential homes
- PACE lenders offer property owners fixed-rate financing for eligible projects that fully amortizes over useful life of upgrades (up to 30 years)

- Property owners repay through charges on their property tax bills
- Assessments are tied to the property and secured by a priority lien, making PACE a lower-risk investment

PACE programs have proven successful across the United States, where they've financed over 358,000 home and commercial upgrades, resulting in more than \$30 billion in economic impact.

With PACE catching on across Canada, partnering with GMF gives private investors access to new projects in Canadian municipalities. Talk to us to learn more about how we can connect you with PACE projects that offer measurable economic and environmental impacts and a strong potential for ROI.

Case study:

Better Homes Ottawa

In 2021, GMF's Community Efficiency Financing initiative provided the City of Ottawa with a grant and loan to launch Better Homes Ottawa, a PACE program offering homeowners low-interest loans to make energy-efficient retrofits that they can pay back over time through their property tax bills.

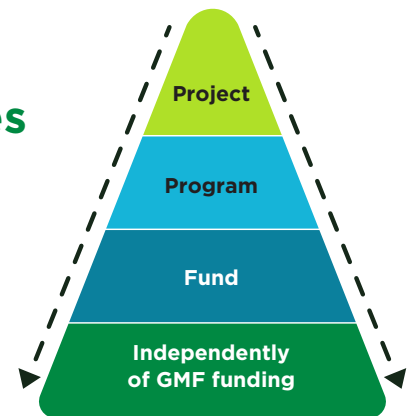
The first phase of Better Homes Ottawa was so popular that it was rapidly fully subscribed. Knowing it would need more capital to continue the program over the long term, Ottawa partnered with Vancity Community Investment Bank a year later.

Better Homes Ottawa currently offers homeowners 20-year loans with a 4.33% interest rate. It has upgraded 240 homes, reducing emissions by 40% per home per year.

Why invest in local sustainability?

Private investors can play a crucial role in building sustainable, resilient communities by working with FCM's Green Municipal Fund to take solutions like this to scale. FCM is uniquely positioned to act as conduit between municipalities, their partners and private investors.

Private investment opportunities at multiple levels



Work with us



Learn more about FCM's Green Municipal Fund and how we can work together:

greenmunicipalfund.ca/invest

